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#91-236 November 20, 1991

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ENVIRONMENTAL CLEAN-UP COSTS AND PENALTIES IMPOSED BY FEDERAL COURT AGAINST LOS ANGELES METAL FINISHER

United States Attorney Lourdes G. Baird announced today that United States District Judge J. Spencer Letts has entered a judgment for the United States on behalf of the U.S. Environmental Protection Agency for \$116,532 against Builder's Hardware Finishers Inc. ("Builder's Hardware"), located at 1846

Hardware Finishers Inc. ("Builder's Hardware"), located at 1846 Sichel Street in Los Angeles, California, its president, Eloy Duran, and its chief financial officer, Joseph Duran.

The Court awarded \$91,531.84 to reimburse EPA for its costs to clean-up the release of hazardous chemicals from defendants' metal finishing facility. The Court further assessed Joseph Duran and Builder's Hardware a civil penalty of \$25,000 for his failure to provide information in response to an EPA request for information.

"This judgment demonstrates that EPA will actively enforce environmental laws against small companies and individuals as well as against major corporations," said Geoffrey R. Kors, Assistant Regional Counsel for EPA. "Today's judgment also should send a message to the community that EPA will pursue and obtain penalties against those who fail to adequately respond to EPA information requests," added Kors.

The judgment arises from a civil enforcement action for recovery of environmental clean-up costs incurred by the United States Environmental Protection Agency ("EPA") for a May 1988 fire at the Builder's Hardware facility, which operated a metal finishing and plating shop. The 1988 fire threatened to release hydrogen cyanide gas to the community, the same hazardous substance released in the Bhopal, India tragedy, and caused local authorities to order a precautionary evacuation of 12 city blocks surrounding the Builder's Hardware facility, including an estimated 4,000 to 11,000 residents.

"According to the EPA's report, the Builder's Hardware fire resulted in the release or threatened release of an array of hazardous chemicals," said Assistant United States Attorney Peter Hsiao. "These hazardous chemicals included sodium cyanide, copper cyanide, potassium cyanide, metals, sulfuric acid, hydrochloric acid, chromic acid and flammable solvents, including ethylbenzene, toluene and xylene." The EPA subsequently determined the site presented an immediate and significant health risk, and initiated work to clean-up and remediate the site.

In October 1990, the United States Justice Department commenced a civil lawsuit against Builder's Hardware, Eloy Duran, Joseph Duran, and the site owners pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act, also known as the Superfund. Earlier, the United States entered into a consent decree with the site owners, whereby they paid \$455,000 to reimburse the EPA for environmental response costs to clean-up the Builder's Hardware site. EPA's policy is to pursue aggressively those parties which refuse to settle. The Court's award today allows EPA to recover 100% of its

response and enforcement costs, consistent with its effort to preserve the Superfund for use in other cleanups.

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